

WHERE TO LOOK FOR WHAT WHEN YOU DON'T KNOW WHERE

24 available sources concerned
with the financial aspects of
day care for infants & toddlers.

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WHERE TO LOOK FOR WHAT
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24 Available Sources Concerned with the
Financial Aspects of Day Care for
Infants and Toddlers

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.....
North Carolina Training Center for
Infant-Toddler Care
The University of North Carolina at Greensboro

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.....

Cover Design and Layout: Bill McCollum

AN INTRODUCTORY NOTE FROM THE WRITER

The people for whom this pamphlet was written are the ones who must face the daily problems of funding, costs, book-keeping, and financial management of a day care operation. These aspects of providing quality care for children are the ones which often go unseen. To the people who perform these duties, this pamphlet is presented, in the hope that they might find possible sources for answers to their many questions.

The twenty-four suggested sources contained within this pamphlet were compiled from over one hundred and fifty readily available publications and articles concerning day care administration. They are arranged in alphabetical order for your convenience with short annotations included with each reference. Information and costs on purchasing these are also included if it was available.

In reviewing all the resources, I tried to select those that met certain criteria. First, I examined the accuracy and validity of the data in each source. Next, the overall organization of information and any additional use of diagrams and charts was considered. Finally, I decided how helpful each reference would be to me if I was in a position of financial management of child care services.

In closing, new resources are continually being prepared. These should always be reviewed and added to existing lists if they prove to be of assistance.

John A. Purvis

Greensboro
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Who both opened the world of serving and working for children to a person concerned with budgets and bills.

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And last but certainly not least,

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Whose creativity and talent are expressed not only in the cover design but throughout this pamphlet.

ABT ASSOCIATES, STANDARDS AND COSTS
OF DAY CARE, CAMBRIDGE, MASS. \$.50

The first part of this pamphlet deals with the costs in three day care settings (group day care, foster day care, and before and after school and summer care) as it correlates with three levels of care (minimum, acceptable, and desirable). The tables are segregated by program elements, making use of costs developed in 1968.

Part Two is an excerpt from "A Study In Child Care 1970-1971", prepared for the Office of Economic Opportunity by the ABT Associates. The tables contained progress from a summary of operating costs to a break down of functional budget summary and detail. They conclude with a detail personnel component analysis. The settings discussed are three basic programs for twenty-five, fifty, and seventy-five children. Tables are presented for each setting.

Available from:

Day Care and Child Development Council
of America, Inc.
1012 14th Street, N. W., Suite 1104
Washington, D. C. 20005

BEDGER, JEANE., AND OTHERS, FINANCIAL REPORTING AND COST ANALYSIS MANUAL FOR DAY CARE CENTERS, HEAD START, AND OTHER PROGRAMS, CHICAGO, ILL. COUNCIL FOR COMMUNITY SERVICES IN METROPOLITAN CHICAGO, 1973.

Before an administrator can have or make use of cost data, he or she must have a basic understanding of accounting and bookkeeping as it relates to business and day care. By first covering financial reporting in detail, the authors then move into an examination of the functioning of cost analysis.

BESNER, ARTHUR, DAY CARE SERVICES:
INDUSTRY'S INVOLVEMENT, BULLETIN 296
WASHINGTON, D. C., DEPARTMENT OF
LABOR, WOMEN'S BUREAU, 1971, \$.25.

One section contains information on costs of establishing and operating day care centers. Included is a brief discussion of the capital outlays, operating costs, and subsidies. The data is arranged by total cost by child dollar amount.

Also, the Internal Revenue Service guidelines for the allowances for business and users are reviewed in the section on tax allowances and exemptions. Non-profit organizations are also discussed.

Available from:
Superintendent of Documents
U. S. Government Printing Office
Washington, D. C. 20402

BYERS, BRUCE B., A PLANNING AND BUDGET MANAGEMENT SYSTEM FOR DAY CARE, WASHINGTON, D. C., EDUCATIONAL PROJECTS, INC., 1974.

In this publication, a system by which one can plan and manage the delivery of human services is developed. Taking into consideration federal guidelines, the system also stresses the general responsibility of persons in administrative positions to provide this type of financial information. The quality of information is reflected by the system of compiling and handling this information in a day care setting.

CHERRY, CARE, HARKNESS, BARBARA, AND
KUZMA, KAY, NURSERY SCHOOL MANAGEMENT GUIDE, BELMONT, CALIFORNIA,
TEAR SIEGLER, INC./FEARON PUBLISHERS,
1973, \$15.00.

This book is an excellent resource for an administrator who needs information on the accounting process and financial system as they relate to the Nursery School. Record keeping and the intake of money to preparing an annual budget are a range of sections included. A very helpful index at the end and the reliable use of a cross-reference system within the sections makes this a most valuable tool for the director.

DAY CARE AND CHILD DEVELOPMENT COUNCIL OF AMERICA, INC., THE MASSACHUSETTS EARLY EDUCATION PROJECT, THE COSTS OF CHILD CARE: MONEY AND OTHER RESOURCES, (CHAPTER EIGHT OF CHILD CARE IN MASSACHUSETTS, THE PUBLIC RESPONSIBILITY), WASHINGTON, D. C., 1972, \$1.25.

The main topic of discussion is the detailed review of start-up costs of child care. Using a varying type of center and home-based system, the "day-to-day" costs of quality care are shown.

DAY CARE AND CHILD DEVELOPMENT
COUNCIL OF AMERICA, INC., PLAN-
NING A DAY CARE CENTER, WASHINGTON,
D. C., 1971.

Discussions included in this booklet vary from sources of funding to the different components and costs to be incorporated in the budgeting for day care.

DEPARTMENT OF LABOR, WOMEN'S BUREAU,
FEDERAL FUNDS FOR DAY CARE, WASH-
INGTON, D. C., 1972, \$1.00.

This publication outlines the seven Federal agencies to date that provide funds for day care projects. Basic information like who to contact and eligibility guidelines are presented.

Available from:
Superintendent of Documents
U. S. Government Printing Office
Washington, D. C. 20402
S. No. - 2916-0010

HARTMAN, BARBARA, AND HEWES, DOROTHY,
EARLY CHILDHOOD EDUCATION: A
WORKBOOK FOR ADMINISTRATORS, SAN
FRANCISCO, CALIFORNIA, R AND E
ASSOCIATES, 1972, \$4.00.

Record keeping and budgeting are dealt with briefly. Other topics touched on include inventory and various other records useful in budgeting, taxes, and insurance costs. A final section handles bookkeeping terminology.

HEDRICK, JAMES L., AND TALCOTT,
FREDERICK W., COSTS OF DAY CARE,
VOLUME I, FINAL REPORT, PART IV,
MINNEAPOLIS, MINNESOTA, INSTITUTE
FOR INTERDISCIPLINARY STUDIES, 1971.

This report discusses the main issues of day care cost analysis, followed by sections on cost information. Of special note were family day care costs, industrial costs, proprietary systems of day care centers, and non-profit day care center costs.

HELLER, PEARL B., AND HOST, MALCOLM S., ADMINISTRATION, WASHINGTON, D. C., DEPARTMENT OF HEALTH EDUCATION, AND WELFARE, OFFICE OF CHILD DEVELOPMENT, 1971, \$1.25.

One important part of this book, entitled "Business Management of Day Care Services," discusses fees, budget development, payroll management, and purchasing and distributing services. The general policy guidelines developed for each topic can be very useful to an administrator in the establishment of a revision of day care services.

Available from:
Day Care and Child Development
Council of America, Inc.
1012 14th Street, N.W., Suite 1104
Washington, D. C. 20005

INNER CITY FUND, POTENTIAL COST AND
ECONOMIC BENEFITS OF INDUSTRIAL
DAY CARE, WASHINGTON, D.C., 1971.

The alternatives for a corporation to provide day care for its employees are first examined. Then, this booklet discusses the various factors which will affect the overall economic benefits. Two conclusions are reached. First, there is no one cost of day care. Second, the cost is sensitive to changes in certain factors and insensitive to changes in others.

INSTITUTE FOR INTERDISCIPLINARY STUDIES,
COSTS OF DAY CARE: PROCEEDINGS OF A
WORKSHOP, VOLUME II: APPENDIX, FINAL
REPORT: PART IV, MINNEAPOLIS, MINN.,
1971.

In May, 1971, twelve papers were presented at a workshop sponsored by the Institute for Interdisciplinary Studies. They are stated in this publication along with discussions on the presentations and the workshop as a whole. Also, included is a bibliography with additional references of information on day care costs.

The authors and their papers are:

- Cornick, Delray, "Techniques of Analyzing Costs and Cost-Benefit Ratios for Day Care"
- Fein, Robert, "Massachusetts Early Education Project"
- Grassgreen, Richard, "Day Care Start-Up Costs"
- Jones, Cynthia, "International and Cooperative Day Care Programs"
- McClellan, Keith, "Strategy for Day Care Cost Analysis"
- Ogilvie, Donald G., "Computer-Based Model to Analyze Costs of Day Care"
- Pittaway, Alen R., "Public Agency Purchase of Day Care Services"
- Rowe, Mary, "The Economics of Child Care: Two Critical Gaps"
- Sonenstein, Burton, "Reimbursing Day Care Costs"
- Stauffer, Robert G., "Family Assistance Day Care In Vermont"
- Warner, David, "Cost Analysis From 'A Study In Child Care, 1970-71'"
- Zamoff, Richard, "Community Assessment of Day Care Needs and Services"

JACOB, STACIE, ED., MANUAL ON ORGANIZATION, FINANCING, AND ADMINISTRATION OF DAY CARE CENTERS IN NEW YORK CITY, SECOND EDITION, NEW YORK, NEW YORK, BANK STREET COLLEGE OF EDUCATION, 1971, \$5.50.

Chapters Two, Three, and Four describe the process of funding under three different programs in New York City. Some helpful hints on how to obtain funding are also mentioned.

Chapter Eleven outlines the process of obtaining both federal and state tax-exempt status for a day care center.

Finally, Chapter Twelve deals with accounting and management for day care centers. There are detailed discussions of management in general; money management with sections on records, controls, reports, and planning; and office management of purchasing personnel, and security. Also included are excellent exhibits of a budget, flow chart of cash, and assorted records, just to mention a few.

LEVINE, JAMES A., HUSTLING RESOURCES FOR DAY CARE, NEW YORK, NEW YORK,
BANK STREET COLLEGE OF EDUCATION,
1974, \$.50.

Brief sections on budgeting, and foundation and government grants. Four or five references are listed, with discussions, on where to go for aid. It concludes with an appendix on resources for volunteer help.

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Washington, D. C. 20005

MCCLELLAN, KEITH, CLASSIFYING DAY CARE CENTERS FOR COST ANALYSIS, WASHINGTON, D. C., DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION, 1970.

By use of a survey of centers in Chicago, an attempt was made to design a classification system for determining the operating costs of day care centers for preschoolers. These cost analysis procedures were developed in hope that they could explain and reveal some of the characteristics of proper management and the efficient operation of day care centers. The data came mostly from ownership arrangements and programs of day care centers.

MCCLELLAN, KEITH, "CONSIDERATIONS IN
DAY CARE COST ANALYSIS," CHILD WEL-
FARE, 50, June, 1971, pp. 317-348.

Mr. McClellan discusses the problems in cost analysis and the role of functional accounting system in solving some of these problems. Specific examples include allocation of expenditures and the treatment of unique instances like donated goods and staff overtime. He concludes with a section on some of the problems surrounding the functional accounting system.

MCCLELLAN, KEITH, AND OTHERS, DAY CARE COST ANALYSIS: A MANUAL OF INSTRUCTIONS, WASHINGTON, D. C., DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, CHILDREN'S BUREAU, 1971, \$1.75.

The main purposes of this manual, as stated by its author, are the development of "good fiscal information" and to "achieve fiscal accountability." Sections included are accounting and reporting income and expenditures; cost comparisons and analysis; and matching costs to functions performed. The various concepts and theories described are illustrated by exhibits.

Available from:
Welfare Council of Metropolitan Chicago
Planning and Research Division
64 East Jackson Boulevard
Chicago, Illinois 60604

MASSACHUSETTS STATE 4-C COMMITTEE,
DAY CARE COSTS. DAY CARE ACCOUNT-
ING. A PEOPLE'S GUIDE, BOSTON,
MASSACHUSETTS, 1972, \$2.00.

First, an examination of day care costs in Massachusetts is presented. Then, it gives a thorough but uncomplicated review of basic accounting principles using examples and diagrams. Additional references are also included.

Available from:

Day Care and Child Development Council
of America, Inc.
1012 14th Street, N.W., Suite 1104
Washington, D. C. 20005

MIGRANT OPPORTUNITY PROGRAM, A GUIDE
FOR MANAGERS OF CHILD DAY CARE
AGENCIES, PHOENIX, ARIZONA, 1969.

Purchasing and control are detailed in purchasing, record keeping, budgeting, and control of inventory discussions. These eventually come together in either the formation or functioning of the budget.

PURVIS, JOHN A., GUIDELINES FOR BUDGETING INFANT CARE PROGRAMS,
GREENSBORO, N. C., NORTH CAROLINA TRAINING CENTER FOR INFANT-TODDLER CARE, 1975, \$.25.

This pamphlet contains a brief discussion of budgeting and the multitude of costs to be included in the formation of a workable budget. Also included is a sample budget for an infant-toddler center.

RUOPP, RICHARD, AND OTHERS, A DAY CARE GUIDE FOR ADMINISTRATORS, TEACHERS, AND PARENTS, CAMBRIDGE, MASSACHUSETTS, MIT PRESS, 1973, \$10.00

The section on costs makes use of a functioning budget to arrange and exhibit cost information. Developing it further, both start-up costs and a model for a center of fifty children are then presented.

SOUTHEASTERN DAY CARE PROJECT,A COST ANALYSIS SYSTEM FOR DAY CARE PROGRAMS, WASHINGTON, D. C., DAY CARE AND CHILD DEVELOPMENT COUNCIL OF AMERICA, INC., 1971, \$1.00.

Types of costs and the methods of classifying day care costs for the purpose of adequate financial control are discussed. Appendices of quality child care are also included which illustrate sample classifications of costs with suggested worksheets.

WAGNER, MARSDEN, G., A COST ANALYSIS OF DAY CARE IN DENMARK, COPENHAGEN, DENMARK, COPENHAGEN UNIVERSITY, INSTITUTE OF SOCIAL MEDICINE, 1974.

Because of a century's experience, Denmark's formal day care programs were studied by a representative of the World Health Organization in 1974. The basic aim of such a study was stated as "what do such day care services cost and who pays for them." Of all the findings, the most outstanding was the direct relationship of quality control to government subsidy. A cost sharing plan was proposed with a national, local, and family sharing of the costs of day care.

